

~~IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA~~

Desc Main
FILED
9/9/20 3:04 pm
CLERK
U.S. BANKRUPTCY
COURT - WDPA

In re: : Case No.: 16-22841-GLT
 : Chapter: 13
 Bonnie M. Cornish :
 :
 : Date: 9/9/2020
 : Time: 09:00
Debtor(s). :

PROCEEDING MEMO

MATTER: #141 - Status Conference on Loss Mitigation
 #139 - Status Report filed by Debtor
 #140 - Status Report filed by U.S. Bank National Association

APPEARANCES:

Debtor:	Abagale E. Steidl
Trustee:	Owen Katz
USBank:	Thomas Song

NOTES: (9:30)

Steidl: It's our contention we've provided all documentation required. Some documents we uploaded and then were rejected. We uploaded some utility bills for proof of residency, which weren't sufficient. The person on the portal is asking question that don't seem to be up to date. The debtor has returned to work as of August, but she doesn't have a pay stub. They wanted her to have child support circled on the bank account but that and her food stamps amount don't go into her bank account. My notes show we provided documents.

Court: Where is she working?

Steidl: She's back at her child's school district where she's a secretary. She wasn't working because of COVID, and she had a delay in getting unemployment. But she's working now as of the end of August.

Court: What's her income level?

Steidl: It should be the same as before COVID. It's a minimum wage job based on a part time salary. I think about 32 hours at \$9 /hour

Song: This is the thing - when we last met you gave us specific deadlines as to when we were to do things. We listed the required documents on the portal and on the docket and the debtor had 14 days to file them. Now counsel mentioned they submitted a new request for mortgage assistance, but that was after the 14 day period. It contains new information, it questions the validity of the first request we were working on to begin with and mentions there's a new contributor. The lender had to ask for correct and corrected documents to be submitted - it's very characteristic about how this process has been going the past four years. The target keeps moving. This debtor is a confirmed successor to the note, and for her to apply for the loan modification she had to get a loan assumption - which requires proof of income. They were not able to provide proof of income in the time required.

Court: I share the frustration. I've noted this is the second attempt at LMP. I've set several status conferences and there's an inability to get documents on a timely basis. But the issue with the income conceptually, she now has income which is a big change. The question is how long it will last and if the current affairs of the schools are enough for her to continue in that employment. As I look at the portal history, asking for proof of occupancy and then not accepting a water bill - where else would the water be delivered to? Those things can be explained. Let's get down to the nuts and bolts - what's missing from the list and the followup that's unsatisfactory?

Song: It seems like the largest thing is, she's at work but we don't have pay stubs. The biggest thing is the lack of employment income. I see there were a bunch of documents provided at the end of August and not all of them have been addressed by the servicer and so I can't say if they are or aren't satisfactory.

Court: You're needing two months of pay stubs?

Song: That's what they're looking for, yes.

Court: Is the debtor able to button up everything else besides the pay stubs?

Steidl: Yes.

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Court: If I give two months - every other document must be buttoned up and produced, including regarding this contributor. Any other documents that might go stale have to be updated. Then if she goes two months of income, that would be that's last step. There is no margin for error. I will require a weekly status report re: the submission of documents. If there is any issue with what's being provided by the debtor, US Bank can file a response. If she has income, I'll give her an opportunity to prove it.

Song: As far as the weekly status, the debtor will file it and if we have an issue we'll file a subsequent report?

Court: Yes. You can file a reply to the status report. A status report with the new weekly portal history and I want to see what documents are needed and what the status is of those documents.

Steidl: Are we continuing the status conference or will you just monitor it?

Court: I'll just monitor it. And I'll extend the LMP pending further court order. But if there's another problem in the future, I will terminate LMP.

OUTCOME:

1. Status Conference on Loss Mitigation [Dkt. No. 141] is CONCLUDED [Text Order to Issue]
2. The Loss Mitigation Period is extended 60 days, subject to termination upon further Court Order. [Text Order to Issue]
3. On or before September 18, 2020, and every two weeks thereafter, the Debtor shall file a status report in the form specified by the Court. [Chambers to Issue]

DATED: 9/9/2020